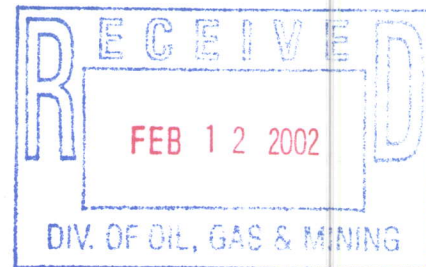


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) Jan / 2001 To (mo./yr.) Dec / 2001
2. DOGM File Number (Mine No.): M / 023 / 003 053
3. Mine Name: Hogs Back Mine
4. Mineral(s) Mined: (or permitted to mine): Beryllium (bertrandite)
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected): Please see enclosed description
All 1/4, All 1/4, SW 1/4, Section 35, Township 12 S, Range 12 W
All 1/4, All 1/4, SE 1/4, Section 35, Township 12 S, Range 12 W
Lot 2 ~~14~~, & ~~14~~, Lot 2 ~~14~~, Section 2, Township 13 S, Range 12 W
7. Name of Operator or Company: Brush Resources Inc.
8. Permanent Street Address: P.O. Box 815
City, State, Zip: Delta, Utah 84624
Phone: (435) 864-2701 Fax: (435) 864-4004
9. Company Representative (or designated operator):
Name: Greg Hawkins
Title: Brush Resources Manager
Business Address: P.O. Box 815
City, State, Zip: Delta, Utah 84624
Phone: (435) 864-1211 ext. 105 Fax: (435) 864-4004
☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 13,454 wet tons (delivered)

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
Shipped 13K wet tons fro the ore stockpile to the processing mill in Delta.
Maintained the access road and haul road to the ore stockpile.
5. How much **additional acreage** was disturbed during the past year? None
6. How much acreage was **reclaimed** during the past year? None
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
Monitored dump outslope and pit areas previously reclaimed.
Changed company name; changed bond amount from \$40K to \$47K
Stockpiled approximately 460 tons of manure for future stockpile reclamation
Reseeded the Be No. 1 (S/023/035) ore pad adjacent to the property.
8. What is the **total disturbed acreage of entire project** at year's end? 18 Acres
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
Ship ore to the mill from the stockpile as needed.
Maintain the access & haul roads (from the county road to the ore stockpile)
Monitor the reclamation treatments on the dump outslope & pit areas.

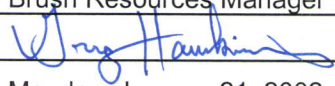
NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information – R647-4-121.2 and .3

1. **The operator shall include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with R647-4-105
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

| | |
|------------------------|---|
| Name (Typed or Print): | <u>Greg Hawkins</u> |
| Title of Operator: | <u>Brush Resources Manager</u> |
| Signature of Operator: | <u></u> |
| Date: | <u>Monday, January 21, 2002</u> |

Supplement to the Annual Report

Table of Contents

1. Letter of August 1, 2001 from the Division to Brush Resources Inc.
2. Letter of September 11, 2001 from the Division to Beryllium International Corp.
3. Letter of November 27, 2001 from Brush to the Division.
4. "Site Reclamation" diagram of the Moody ore pad, dated November 27, 2001.
5. Letter of December 12, 2001 from the Division to Beryllium International Corp.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 1, 2001

Donald J. McMillan
Brush Resources, Incorporated
P.O. Box 815
Delta, Utah 84624

Re: Acceptance of Transfer of Notice of Intention for Large Mine Operations, Brush Wellman, Inc. to Brush Resources, Inc., Hogs Back Project, M/023/053, Juab County, Utah

Dear Mr. McMillan:

On July 26, 2001, we received the completed Transfer of Notice of Intention to transfer the 18 acres of disturbance at the Hogs Back large mining project from Brush Wellman, Inc. to Brush Resources, Inc. On June 27, 2001, we received two bond riders from Travelers Casualty and Surety Company of America for bond #2S101098411. One rider transferred the principal's name on the surety from Brush Wellman to Brush Resources; the second rider changed the bond amount from \$40,000 to \$47,600 for this project.

On July 31, 2001, the Division Director accepted and signed the transfer document and the two bond riders. We have now changed our records to indicate Brush Resources, Inc. is the owner and operator of the Hogs Back Project. The surety amount is now \$47,600, which has been escalated to year 2006 dollars.

We have enclosed copies of the transfer documents and the bond riders for your records. Please provide copies of the accepted riders to Travelers Surety Company for their records as well.

Thank you and especially Susan Callister for your help in finalizing this permitting action. We look forward to continuing a productive and cooperative long term working relationship with Brush Resources, Inc.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosures: Copies of Transfer, 2 surety riders
M23-53-transfer.doc



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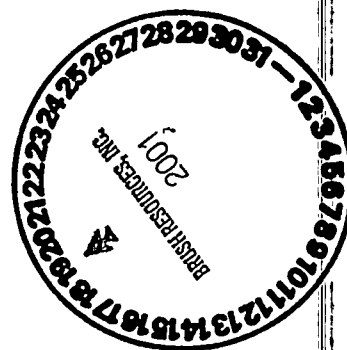
Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

September 11, 2001



Richard Moody
Beryllium International Corporation
6790 Blue Jay Lane
Salt Lake City, Utah 84121

Re: Site Inspection, Beryllium International Corporation, Hogsback No. 1 Mine, S/023/035, Juab County, Utah

Dear Mr. Moody:

On January 10, 2001, we received your annual report wherein you requested an inspection to close the file. On August 17, 2001, Tom Munson and I inspected the site, and although the site has been graded and there is some cover from desirable species, it does not meet the revegetation standards. I estimated there is less than 5 percent cover from desirable species in the reclaimed area, and the adjacent undisturbed area has about 20-25 percent vegetation cover.

The lack of vegetation is probably due to unfavorable weather conditions. In circumstances like this, some seeds can remain dormant for extended periods, but most seeds either germinate and die, are eaten, or simply do not germinate and die. We suggest that you consider reseeding this fall, and we would be happy to discuss revegetation methods with you.

Because we are unable to close the file as requested, the annual permit fees are due for years 2000 and 2001. A billing statement for \$200.00 for these years is enclosed for your use. Please submit the permit fee within the next week. If you have any questions regarding this letter, please feel free to contact me at 801-538-5261 or Tom Munson at 801-5321.

Sincerely,

Paul B. Baker
Senior Reclamation Biologist

jb
Enclosure: Billing Statement
s23-35brltr.doc

BRUSH RESOURCES INC..

November 27, 2001

Paul B. Baker
Senior Reclamation Biologist
State of Utah
Dept. of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Dear Paul:

SUBJECT: ADDITIONAL RESEEDING; S/023/035, JUAB COUNTY, UTAH

Pursuant to your suggestion in the letter of September 11 2001 to Beryllium International Corp. (BIC), I reseeded the "Moody Stockpile" area for the second time. The initial reseeding was done on November 10, 1999. Please refer to the 1999 Annual Report for M/023/053 for the details of that work. The company elected to do this work on behalf of BIC.

The reseeding effort consisted of outlining the disturbance area, hand broadcasting the seed mix, and raking the surface. The surface area is estimated to be approximately 6/10ths of an acre. A couple inches of fresh snowfall covered the area. This softened the ground and the raking served to mix the snow and seed and to lodge the seed. The seed mix varieties, ratios, and application rates are as follows:

| Seed Mix Varieties | Seed Mix Ratio | Lbs. of Seed / Acre |
|-----------------------------|----------------|---------------------|
| Indian Ricegrass | 27% | 14 |
| Shadscale Saltbush | 26% | 14 |
| Fourwing Saltbush | 26% | 14 |
| Yellow Blossum Sweet Clover | 14% | 7 |
| Rubber Rabbitbrush | 7% | 4 |

Although the vegetative cover on the disturbed area is something less than the surrounding area, there are stands of brush and grasses present. The southern exposure will affect moisture retention, but this is offset somewhat by the roughness built in to the surface gradient. Attached is a diagram that illustrates the work.

Sincerely,

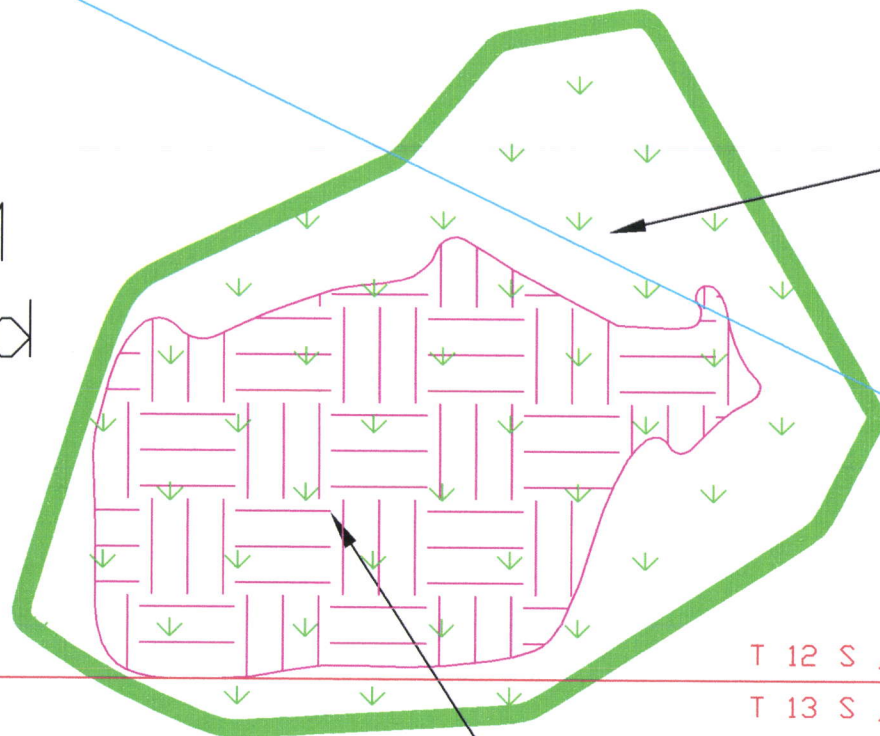
John R. Wagner
Mine Planning Administrator

Cc: Richard Moody c/o BIC

Attachment

/jw

BLM
Land



SECOND RESEED AREA

Private Land

T 12 S , R 12 W

T 13 S , R 12 W

N 89°59' W

OLD STOCKPILE AREA

Utah State Land



BRUSH RESOURCES, INC.
BERYLLIUM/MINING DIVISION

S/023/035
Site Reclamation
Additional Reseeding



DRAWN BY: JRW

DATE: 11/27/01

DRAWING: J:\acad\hogsback\hogreseed2



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December 12, 2001

Richard Moody
Beryllium International Corporation
5056 Three Fountains Circle
Salt Lake City, Utah 84107

Re: Notice of File Closure, Beryllium International Corporation, Hogsback #1, S/023/035, Juab County, Utah

Dear Mr. Moody:

In a phone conversation with you on November 1, 2001, you informed me that Brush Resources had removed the stockpile, which was the only thing left to have this site fully reclaimed. This was later confirmed with representatives of Brush Resources. On November 30, 2001, we received a letter from Brush Resources stating they had reseeded this site where the stockpiles had been located. The letter stated that the company elected to do this work on behalf of Beryllium International Corp.

The Division, hereby releases Beryllium International Corp. from any further reclamation obligations at this site. The Hogsback #1 notice will be closed and the file retired. If you wish to conduct any future mining related activity in this area, you will need to submit a new notice to the appropriate agency(s), pay the Division permit fee, and receive written approval(s), prior to creating any disturbance.

If you have any questions or concerns regarding this action, please contact me at (801) 538-5321.

Sincerely,

Tom Munson
Senior Reclamation Specialist

jb

cc: ☒ Greg Hawkins, Brush Resources
S23-35-ret.doc